



18 MAY 1977

M-13

DDI-2029-77

MEMORANDUM FOR: Director of Central Intelligence

VIA : Deputy Director of Central Intelligence

FROM : Sayre Stevens
Deputy Director for Intelligence

SUBJECT : Your Meeting with the Military-Economic
Advisory Panel (MEAP)

1. Action Requested: None; for your information only.
2. Background: You agreed to meet with the MEAP briefly on May 19, 1977, to discuss their work with the Intelligence Community in the military-economic analysis of communist countries. In response to our submission of April 7, you indicated that you wished to hold up on a decision to appoint Dr. K. Wayne Smith to succeed Professor Herbert Levine as Chairman until you decided whether to continue the MEAP. After discussions among Sid Graybeal, Herb Levine and Wayne Smith, it was agreed that Wayne, with your concurrence, would assume the Chairmanship of the MEAP, if you choose to continue the work of the group.
3. A fact sheet on the members of the panel and talking points concerning the past contributions of Dr. Levine are attached.

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Sayre Stevens

Attachments
a/s

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MILITARY-ECONOMIC ADVISORY PANEL

Dr. Herbert S. Levine, Chairman
University of Pennsylvania

Dr. Levine is Professor of Economics with the University of Pennsylvania. He has been a leading expert in the field of Soviet economics for over 20 years.

Dr. K. Wayne Smith, Chairman Designate
Washington Group, Inc.

Dr. Smith is a Vice President of Washington Group, Inc. His past experience in the Department of Defense and the NSC Staff enables him to provide input to the Panel on consumer needs in the field of estimates on Soviet military-economic programs.

Lt. Col. Lee D. Badgett, USAF
USAF Academy

Lt. Col. Badgett is a member of the Economic faculty at the Air Force Academy. He holds a PhD degree in economics and has worked closely with OSR on military-economics for the past few years as military assistant to Dr. Andrew Marshall, OSD/NA.

Dr. Abraham S. Becker
The Rand Corporation

Dr. Becker is with the Economic Department at the Rand Corporation. He is recognized as a leading specialist in Soviet national income.

Dr. Kenneth W. Dam
University of Chicago

Dr. Dam is with the Law School at the University of Chicago. From 1971 to 1973 he served as Assistant Director (for national security and international affairs), Office of Management and Budget.

Dr. Holland Hunter
Haverford College

Dr. Hunter is Professor of Economics at Haverford College. He has been a specialist in the Soviet economy for over 25 years and is a recognized expert in the field.

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N [REDACTED] retired from the Agency in 1974. The last position he held was Deputy Director of Strategic Research. [REDACTED] value to the Panel stems from his experience in military and military-economic analysis, his familiarity with the community, and his knowledge of the consumers of the intelligence product.

Dr. Stanley I. Weiss
Lockheed Missile & Space Company, Inc.

Dr. Weiss is Vice President and Assistant General Manager, Engineering and Development, Space Systems Division at Lockheed. He is responsible for development and engineering, including space programs and technical products for DoD, NASA, and aerospace prime contractors.

Professor Herbert S. Levine - Chairman

Professor Levine became chairman of the MEAP in the spring of 1974. During his tenure the Panel has:

- Submitted two comprehensive reports on the status of military economic analysis in the Intelligence Community with recommendations for improvements.
- Conducted an in-depth report [] on the feasibility of estimating the cost of Soviet military RDT&E. This study resulted in the formation of a DDI task force (headed by [] to study Soviet RDT&E.
- Provided substantive review of the evidence and analysis upon which the CIA's revised estimate of Soviet defense outlays was based.
- Provided guidance on the effective release of this revised estimate.

Dr. K. Wayne Smith - Chairman Designate

Dr. K. Wayne Smith has been a member of the Panel since its establishment. His extensive background in the formulation of national security policy includes Special Assistant to the Assistant Secretary of Defense (Systems Analysis) from 1966 to 1969 and Director of Programs Analysis for the National Security Council from 1970 to 1972.